

CITY OF MINNEAPOLIS  
LICENSES AND CONSUMER SERVICES  
350 SOUTH 5<sup>TH</sup> STREET, ROOM 1-C, CITY HALL  
MINNEAPOLIS, MN 55415

**FINDINGS OF FACT  
CONCLUSIONS, AND  
RECOMMENDATIONS**

In the Matter of License No. L178 50142 ENVY NIGHTCLUB  
for LIQ ON-SALE A W/SS SERIES 1000

Held by:  
**GRAND GROUP ENTERTAINMENT**  
**JAMES BEAMON**  
**400 1ST AVE N #120**  
**MINNEAPOLIS, MN 55401**

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11-0873632

This matter came before the Division of Licenses and Consumer Services at a License Settlement Conference on Wednesday, September 7, 2011 at 10:00 AM in Room 1C, Minneapolis City Hall. Appearing on behalf of the licensee were James Beamon, owner of Envy, Bob Eckstrom, General Manager of Envy, Andre McElroy, Manager of Envy and Deepak Nath, former owner of Envy. Appearing for the City of Minneapolis were Grant Wilson, Manager of Licenses and Consumer Services, Linda Roberts, Business Licenses Manager, Craig Eliason, License Inspector, Lt. Chris Hildreth, Commander of the Minneapolis Police License Investigative Division, Kris Arneson, Inspector of the Minneapolis Police Department 1<sup>st</sup> Precinct and Joel Fussy, Assistant City Attorney. Based on information presented at the hearing, the Division makes the following findings of fact, conclusions, and recommendations:

**FINDINGS OF FACT**

1. Grand Group Entertainment LLC has held an On-Sale Liquor with Sunday Sales, Class A license at this location since August 5, 2011.
2. On August 23, 2011 an alleged assault involving a 20 year old (Minneapolis Police Department Case Number 11-251610) occurred inside Envy involving glassware. On August 24, 2011 Business Licensing sent an advisory notice (request number 11-0864619) requesting Envy to "provide an explanation of what occurred and what steps were taken by Envy security personnel in response to the incident." The licensee did not respond by the August 31, 2011 due date. A violation notice was sent on September 1, 2011. The licensee did not respond by the September 6, 2011 due date.

3. During the application review for this license, the business agreed to quarterly reviews of their security and to eliminate glassware if there were assaults involving glassware at the establishment.
4. On August 23, 2011 an alleged fight (Minneapolis Police Department Case Number 11-251597) occurred on the sidewalk in front of the entrance to Envy. On August 30, 2011 Business Licensing sent an advisory notice (request number 11-0865877) requesting Envy to "provide an explanation of what occurred and what steps were taken by Envy security personnel in response to the incident." The licensee did not respond by the September 6, 2011 due date.
5. A September 4, 2011 inspection resulted in a \$200 citation being issued (request number 11-0868045) for failure to comply with business license operating conditions. The due date for the citation to be paid or appealed is September 29, 2011. The citation has been appealed.

### CONCLUSIONS

1. Based upon the alleged incidents that occurred on August 23, 2011 the licensee does not have adequate security at Envy, which is a violation of Minneapolis Code of Ordinances 259.250.
2. The licensee is not promptly responding to business licensing correspondence after alleged incidences occur.
3. Based upon the alleged incident on August 23, 2011 that involved glassware, the licensee does not have adequate security to comply with Minneapolis Code of Ordinances 259.250 while providing glassware at the establishment, or to ensure that under age patrons are not admitted during 21+ nights.
4. Based on the September 4, 2011 inspection of the business, the licensee has failed to adequately utilize security staff to comply with business licensing conditions, resulting in nuisance activity occurring on the premises.

## RECOMMENDATIONS

Based on evidence presented at the hearing, the Division makes the following recommendations:

1. Envy shall not permit customer glass beverage containers in the establishment.
2. Envy shall use an identification scanner to verify the age of each patron and to compile and maintain a "do not admit" list to prevent reoccurrence of disturbances by known persons no later than November 1, 2011.
3. Envy shall ensure a clear walkway is maintained through the dance floors.
4. Envy shall send a representative to attend the Downtown Entertainment District Security Meetings (Bar Watch).
5. Envy shall offer Sunday food service to its patrons as required by Minneapolis Code of Ordinances 364.80(c) and Minnesota State Statute 340A.504 Subd 3.
6. Envy shall respond to requests for information from the Minneapolis Police Department or Business Licenses by the required due dates.
7. Envy agrees to pay a \$1,000.00 sanction, of which \$800 is stayed for a period of one year, on the condition that all of the above recommendations are followed and they have no same or similar violations.
8. Envy agrees that the business operating conditions approved by the city council on August 5, 2011 and attached hereto remain in full effect.

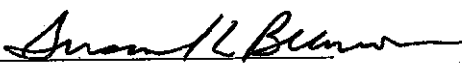
James Beamon understands that the holding of a business or liquor license in the City of Minneapolis is both a privilege and a responsibility. A minimum standard shall be met in order to hold such a license. One minimum standard is that a license holder is responsible to ensure that its business operates in compliance with all applicable laws, ordinances, and regulations. It is understood and agreed that any violation of the above Recommendations shall constitute just and proper cause for the immediate imposition of any stayed penalties. It is further understood that compliance with the above Recommendations is a requirement for continuing to hold a license and that failure to comply with any of these conditions may result in additional adverse license action.

I have read and understand the above findings of fact, conclusions, and recommendations. I agree with their contents and I agree with the above noted Recommendations. I understand that the failure of my business to adhere to this agreement may be cause for further suspension, revocation, or denial of my license. I understand that this report must be accepted and approved by the Minneapolis City Council and Mayor.

Based upon the foregoing, this agreement is FREELY & VOLUNTARILY ENTERED INTO IN GOOD FAITH:

Business Gina's Group Ent., LLC

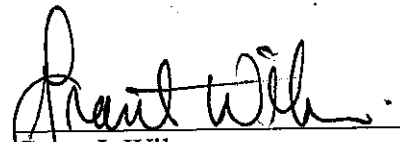
aka ENVY Nightclub

By:   
(signature)

Its: CEO  
(title)

Dated: 12-3, 2011

For the City of Minneapolis:

  
Grant J. Wilson  
Manager

Dated: 1-20, 2012